

STATE OF CALIFORNIA

Budget Change Proposal - Cover Sheet

DF-46 (REV 08/15)

Fiscal Year 6-17	Business Unit 1440 1111	Department Consumer Affairs	Priority No. 2
Budget Request Name 1440-032-BCP-BR-2016-GB 1111		Program 1200 - OSTEOPATHIC MEDICAL BOARD OF CALIFORNIA	Subprogram 1200010 - OSTEOPATHIC MEDICAL BOARD OF CALIFORNIA

Budget Request Description
Rent Augmentation

Budget Request Summary

The Osteopathic Medical Board of California (OMBC) is requesting a budget augmentation of \$50,000 in FY 2016-17 and ongoing to address the Board's need to move to a larger office space. The OMBC's office is at full capacity due to the increased number of staff.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By <i>Michael Burt</i>	Date 8/31/15	Reviewed By <i>Mark M. Ito</i>	Date 8/31/15
Department Director <i>Sharon Rhew</i>	Date 8-31-15	Agency Secretary <i>Michael Caballero</i>	Date 9-1-15

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

P Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA Original signed by Jeff Carosone	Date submitted to the Legislature 1-7-16
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BCP Fiscal Detail Sheet

BCP Title: Osteopathic Medical Board: Rent Augmentation

DP Name: 1111-032-BCP-DP-2016-GB

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5324 - Facilities Operation	0	50	50	50	50	50
Total Operating Expenses and Equipment	\$0	\$50	\$50	\$50	\$50	\$50
Total Budget Request	\$0	\$50	\$50	\$50	\$50	\$50

Fund Summary

Fund Source - State Operations

0264 - Osteopathic Medical Board of
California Contingent Fund

	0	50	50	50	50	50
Total State Operations Expenditures	\$0	\$50	\$50	\$50	\$50	\$50
Total All Funds	\$0	\$50	\$50	\$50	\$50	\$50

Program Summary

Program Funding

1200010 - Osteopathic Medical Board of
California

	0	50	50	50	50	50
Total All Programs	\$0	\$50	\$50	\$50	\$50	\$50

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A. Budget Request Summary

The Osteopathic Medical Board of California (OMBC) is requesting a budget augmentation of \$50,000 in FY 2016-17 and ongoing to address the Board's need to move to a larger office space. The OMBC's office is at full capacity due to the increased number of staff.

B. Background/History (Provide relevant background/history and provide program resource history. Provide workload metrics, if applicable.)

The Board is the licensing and regulatory board for osteopathic physicians and surgeons in California. Business and Professions Code (BPC) Section (§) 3600 and the California Code of Regulations § 1600 authorizes the OMBC to license qualified osteopathic physicians and surgeons to practice osteopathic medicine, and exercise fair and judicious enforcement of laws and regulations governing their practice. The Medical Practice Act (BPC § 2001.1) requires the OMBC to ensure that protection of the consumers is the highest priority in exercising its licensing, regulatory and disciplinary functions.

The OMBC's FY 2014-15 BCP requested position authority for the three Office Technicians to address the workload associated with significant growth in its licensing population and to reduce the backlog of 252 open complaints. As a result, the OMBC does not have sufficient space to accommodate the new positions and will need to move to a larger office space in the near future.

Resource History (Dollars in thousands)

Program Budget	PY - 4	PY - 3	PY - 2	PY - 1	PY
Authorized Expenditures	\$1,869	\$1,968	\$1,752	\$1,899	\$1,922
Actual Expenditures	\$1,234	\$1,519	\$1,373	\$1,729	\$1,918
Revenues	\$1,443	\$1,468	\$1,569	\$1,641	\$2,117
Authorized Positions	11.9	13.0	8.5	8.4	11.4
Filled Positions	6.7	7.2	6.6	7.9	11.4
Vacancies	5.2	5.8	1.9	0.5	0.0

C. State Level Considerations

State licensing boards are required to protect the consumers by licensing qualified candidates and enforcing professional laws and regulations in a fair and judicious manner as required under Business and Professions Code § 2450. With the OMBC's current level of staffing, we are able to meet these expectations; however, because of the redirection of funds within our budget, the Board is unable to support a move into a larger office space without a budget augmentation.

D. Justification

The OMBC's office is at full capacity due to the increased number of staff at the OMBC. Due to these increased numbers, the Board is required to move to a bigger office in FY 2016-17. The OMBC's current annual rent cost is \$70,996. The annual cost for the OMBC to move to an office suitable for their staff will be approximately \$50,000 greater than the annual cost of their current office.

The table below illustrates the OMBC's annual reversion since FY 2011-12. Prior to receiving authorization for the additional three positions in FY 2014-15, the OMBC's annual reversion was sufficient to absorb any additional costs within their existing resources. Due to the steady growth of the OMBC, additional funding is necessary to maintain its current service level.

Expenditures	2011-12	2012-13	2013-14	2014-15
Authorized Expenditures	\$1,968	\$1,752	\$1,899	\$1,922
Actual Expenditures	\$1,234	\$1,373	\$1,729	\$1,918
Reversion	\$734	\$379	\$170	\$4

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E. Outcomes and Accountability

Approval of this proposal would allow the OMBC to fully fund all aspects of its program resulting in improved efficiencies to help implement OMBC's mandate.

F. Analysis of All Feasible Alternatives

The OMBC only considered two alternatives to be feasible with this proposal:

Alternative 1: Approve the request for a budget augmentation in FY 2016-17 and ongoing for \$50,000: to fund the costs to move to a larger office space in the near future.

Pro - This will allow the OMBC to fully fund all aspects of its operations, maintain its current service level and meet its mission of protecting the public.

Con - This will require a budget augmentation of \$50,000 and will increase the annual ongoing costs for the OMBC.

Alternative 2: Status Quo.

Pro - This alternative will not require a budget augmentation to move to an office suitable for their staff needs.

Con - The OMBC will remain in its existing office space which is not suitable for its current authorized staffing levels.

G. Implementation Plan

Augment the OMBC's budget by \$50,000 in FY 2016-17 and ongoing. Move to a larger office space in FY 2016-17.

H. Supplemental Information *(Describe special resources and provide details to support costs including appropriate back up.)*

See attached fund condition.

I. Recommendation

The OMBC recommends Alternative 1.

0264 Osteopathic Medical Board

Analysis of Fund Condition

8/31/15

(Dollars in Thousands)

2015-16 Budget Act w/ 2014-15 Actuals; and Expenditure Authority BCP, Rent BCP and proposed AG/OAH Augmentation		ACTUAL 2014-15	Budget Act CY 2015-16	BY 2016-17	BY + 1 2017-18
BEGINNING BALANCE		\$ 2,979	\$ 3,152	\$ 3,108	\$ 2,624
Prior Year Adjustment		\$ 2	\$ -	\$ -	\$ -
Adjusted Beginning Balance		\$ 2,981	\$ 3,152	\$ 3,108	\$ 2,624
REVENUES AND TRANSFERS					
Revenues:					
125600	Other regulatory fees	\$ 17	\$ 20	\$ 20	\$ 20
125700	Other regulatory licenses and permits	\$ 324	\$ 307	\$ 307	\$ 307
125800	Renewal fees	\$ 1,592	\$ 1,545	\$ 1,545	\$ 1,545
125900	Delinquent fees	\$ 14	\$ 11	\$ 11	\$ 11
141200	Sales of documents	\$ 3	\$ 3	\$ 3	\$ 3
142500	Miscellaneous services to the public	\$ -	\$ -	\$ -	\$ -
150300	Income from surplus money investments	\$ 8	\$ 9	\$ 8	\$ 7
150500	Interest Income From Interfund Loans	\$ -	\$ -	\$ -	\$ -
160400	Sale of fixed assets	\$ -	\$ -	\$ -	\$ -
161000	Escheat of unclaimed checks and warrants	\$ -	\$ -	\$ -	\$ -
161400	Miscellaneous revenues	\$ -	\$ -	\$ -	\$ -
Totals, Revenues		\$ 1,958	\$ 1,895	\$ 1,894	\$ 1,893
Transfers to Other Funds					
Transfers from Other Funds					
Totals, Revenues and Transfers		\$ 1,958	\$ 1,895	\$ 1,894	\$ 1,893
Totals, Resources		\$ 4,939	\$ 5,047	\$ 5,002	\$ 4,517
EXPENDITURES					
Disbursements:					
1110	Program Expenditures (State Operations)	\$ 1,785	\$ 1,936	\$ 2,078	\$ 2,014
0840	SCO (State Operations)	\$ -	\$ -	\$ -	\$ -
8880	Financial Information System of CA (State Operations)	\$ 2	\$ 3	\$ -	\$ -
	Expenditure Authority BCP	\$ -	\$ -	\$ 175	\$ 175
	Rent BCP	\$ -	\$ -	\$ 50	\$ 50
	Proposed AG/OAH Augmentation	\$ -	\$ -	\$ 75	\$ 75
Total Disbursements		\$ 1,787	\$ 1,939	\$ 2,378	\$ 2,314
FUND BALANCE					
Reserve for economic uncertainties		\$ 3,152	\$ 3,108	\$ 2,624	\$ 2,203
Months in Reserve		19.5	15.7	13.6	12.9